

NEUTRALS SEEK MANY CHANGES IN COVENANT OF LEAGUE OF NATIONS; INDEMNITY PROBLEM IS DEBATED

President Wilson and Premiers Busy With Reparation Question

DIFFERENCES DEVELOP

Chief Trouble Over Amount That Germany Is Able

to Pay.

PUT AT FORTY BILLIONS

Amendments to League Cove-
nant Will Be Taken Up
To-morrow

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By the Associated Press.

PARIS, March 20.—President Wilson, M. Clemenceau, the French Premier, and David Lloyd George, the British Prime Minister, conferred at the residence of Mr. Lloyd George.

They are seeking to adjust differences, constituting some of the larger questions pending now—reparation for war losses and the Franco-German frontier. These questions for the moment have assumed paramount

The chief issue of the question of reparations is not what Germany should pay, but what she can pay. The commission's experts which have studied the subject have gradually reduced the claims to a total of about forty billion dollars.

One proposal was to spread the payment over forty years. On this basis the principal, with interest, would amount to \$80,000,000,000 at the end of the period. Another

Seven billions of this property, the commission estimates, belongs to private German citizens and the remainder is owned by the Government. Of private resources Germany has property valued at \$1,000,000,000 in South America, \$750,000,000 in the United States and \$3,000,000,000 in other countries.

All this outside property is regarded by the commission as subject to confiscation by the allied and associated Powers. Should this view

prevail it would yield \$8,900,000,000 for the immediate liquidation of war losses. This would leave \$4,000,000,000 to be paid if the American estimate of the total to be claimed is adopted.

electricity exports and imports. The American and British views tend toward permitting Germany to resume industrial activity in order to pay the balance of the \$1,000,000,000 debt to the Allies and associated Powers. The commission's experts estimate the exports and imports would yield a balance of about \$300,000,000 annually, or approximately a billion dollars every three years.

On this basis the balance of the debt could be extinguished in twelve years and the entire operation concluded. This view, it is said, is favored by most with general acceptance. The French, and to some extent the British, are inclined to assume a much heavier repatriation, spread over a much longer period.

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